

NEW & RECENT



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TUSAYAN WATER DEVELOPMENT ASSOCIATION, INC
PO BOX 520
GRAND CANYON, AZ 86023

ORIGINAL

April 27, 2010

Arizona Corporation Commission
Utilities Division
1200 West Washington
Phoenix, AZ 85007

W-02350A-10-0163

W-02350A

In a letter dated November 16, 2009 the Arizona Corporation Commission gave Tusayan Water Development Association, Inc. (TWDA) notice to file a full rate case with the Commission utilizing December 2009 as a test year. I used the Illustrative Schedule Format from the ACC's website to complete the schedules. The following explanation will assist in understanding the operations of TWDA.

Tusayan is a small community of approximately 300 residents located just outside the Grand Canyon National Park south rim entrance. In the mid 1970's potable water for the community was trucked in as there were no wells in the area. The National Park Service had excess water which they were willing to sell to the town of Tusayan. They required that one entity be responsible for receiving and paying the water bills. TWDA was established to facilitate this function. TWDA applied for and received not for profit status from the Internal Revenue Service. TWDA also applied for and received the Certificate of Convenience and Necessity from the ACC.

There have been two separate water distribution systems in Tusayan. The water supply that TWDA's customers receive is dictated by the customer's location and the water system to which they are connected. TWDA purchases water from the two water companies and bills the customers for the water used. The cost of the water is passed on to the customer. In addition, there is a .0004¢ per gallon fee added to cover administrative costs. TWDA does not own the distribution systems, lines or any other property, plant and equipment. TWDA has no ownership or rights to the distribution lines. Those are owned and maintained by the two water companies.

Please contact me if you have questions regarding TWDA or the attached schedules.

Sincerely,

Chris Brainard
(480) 483-6144

Arizona Corporation Commission

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AZ CORP COMMISSION
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TUSAYAN WATER DEVELOPMENT ASSOCIATION, INC

Schedule: A-1

**Title: Computation of Increase in
Gross
Revenue Requirements.**

Explanation:

Schedule showing computation of **Required For:**

increase in
gross revenue requirements and
spread of revenue
increase by customer
classification.

All Utilities	<input checked="" type="checkbox"/>	Special Reqt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

TWDA does not own any assets which could be reconstructed for purposes of this schedule.

Original Cost RCND

1. Adjusted Rate Base	\$ 0 (a)	\$ 0 (a)
2. Adjusted Operating Income	\$ 3,673 (b)	\$ -340 (b)
3. Current Rate of Return	0 %	0 %
4. Required Operating Income	\$ 0	\$ 0
5. Required Rate of Return	0 %	0 %

6. Operating Income Deficiency (4 - 2) \$-3,673 \$ -340

7. Gross Revenue Conversion Factor _____(c)

8. Increase in Gross Revenue Requirements (6 x 7) \$ 0

Customer Classification Projected Revenue Increase Due to Rates % Dollar Increase

Residential \$ 0 0 % (d) \$ 0 0 %

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: A-2

**Title: Summary Results of
Operations**

Explanation:
Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required For:

All Utilities ☒ Special Reqmt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

Projected Year 2010

Prior Years Test Year Present Proposed

Description	Y/E 12/31/2008 (a)	Y/E 12/31/2009 Actual (b)	Adjusted Rates (c)
1. Gross Revenues	1,034,668	1,058,708	1,050,000
2. Revenue Deductions & Operating Expenses	1,030,714	1,059,047	1,050,000
3. Operating Income \$	3,954	\$ -340	\$ 0
4. Other Income and Deductions			
5. Interest Expense	0	0	0
6. Net Income \$	3,954	\$ -340	\$ 0
7. Earned Per Average Common Share*		0	
8. Dividends Per Common Share*		0	
9. Payout Ratio*		0	
10. Return on Average Invested Capital		0	
11. Return on Year End Capital		0	
12. Return on Average Common Equity		0	
13. Return on Year End Common Equity		0	
14. Times Bond Interest Earned -Before Income Taxes		0	
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes		0	

Supporting Schedules: *Optional for projected year

(a) E-2

(b) C-1

(c) F-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: A-3

**Title: Summary of Capital
Structure**

Explanation:

Schedule showing comparative capital structures for the last 3 historical years, including the test year, and the projected year.

Required For:

All Utilities ☐ Special Regmt ☐
 Class A ☒
 Class B ☒
 Class C ☐
 Class D ☐

	Prior Years	Test Year	Projected Year
Description At	12/31/08(a)	12/31/09(a)	12/31/10(c)
1. Short-Term Debt	0	0	0
2. Long-Term Debt	0	0	0
3. TOTAL DEBT \$	0	0	0
4. Preferred Stock	0	0	0
5. Common Equity	0	0	0
6. Total Capital	\$ 22,881	\$22,541	\$22,541
Capitalization Ratios:			
7. Short-Term Debt	0	0	0
8. Long-Term Debt			
9. TOTAL DEBT	0 %	0 %	0 %
10. Preferred Stock			
11. Common Equity	0	0	0
12. Weighted Cost of Short-Term Debt	0 %	0 %	0 %
13. Weighted Cost of long-Term Debt	0 %	0 %	0 %
14. Weighted Cost of Senior Capitot	0 %	0 %	0 %

Supporting Schedules:(a) E-1,(b) D-1

TUSAYAN WATER DEVELOPMENT ASSOCIATION, INC

Schedule: A-4

**Title: Construction
Expenditures and Gross
Utility Plant in Service**

Explanation:

Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required For:

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

TWDA does not own any property, plant or equipment.

Construction Net Plant Placed Gross Utility
Expenditures In Service Plant In Service

Year (a) (b)

1. 2008 \$ 0

2. 2009 \$ 0

3. Test Year 0

4. Projected Year 0

5. Projected * 0

6. Projected * 0

*** Required only for Class A and B Utilities**

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: A-5

**Title: Summary Changes In
Financial
Position**

Required For:

Explanation:
Schedule showing sources and application
of funds in summary format.

All Utilities ☐ Special Reqmt ☐
Class A ☒
Class B ☒
Class C ☐
Class D ☐

Test Projected 2010

Year Present Proposed

Prior Years Rates Rates

Description Y/E 12/31/08 Y/E 12/31/09 Y/E 12/31/10 (b)

Sources of Funds:

1. Operations	\$ 3,673	\$ -340	\$ 0
2. Outside Financing	0	0	0
3. Total Funds Provided	\$ 0	\$ 0	\$ 0

Application of Funds:

4. Construction Expenditures	\$ 0	\$ 0	\$ 0
5. Other	0	0	0
6. Total Funds Applied	\$ 0	\$ 0	\$ 0

Supporting Schedules:

(a) E-3

(b) F-2

TUSAYAN WATER DEVELOPMENT ASSOCIATION, INC

Schedule: B-1

**Title: Summary of Original Cost
and RCND**

Base Elements

Required For:

Explanation:
Schedule showing elements of adjusted
original cost and RCND rate bases.

All Utilities ☒ Special Reqt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

TWDA has no property, plant or equipment

Original Cost RCND

Rate Rate

Base* Base*

1. Gross Utility Plant in Service \$	0	\$	0
2. Less: Accumulated Depreciation	0		0
3. Net Utility Plant in Service \$ (a)	0	\$ (b)	0
Less:			
4. Customers' Advances for Construction (c)	0	(c)	0
5. Contributions in Aid of Construction	0	(c)	0 (c)
Add:			
6. Allowance for Working Capital (d)	0	(d)	0
7. Total Rate Base \$	0 (e)	\$	0 (e)
* Including pro forma adjustments	0		0

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules: Recap Schedules:

- (a) B-2 (d) B-5 (e) A-1
- (b) B-3
- (c) E-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: B-2

**Title: Original Cost Rate
Base Pro forma
Adjustments**

Explanation:

Schedule showing pro forma adjustments to gross plant in service and accumulated depreciation for the original cost rate base.

Required For:

All Utilities ☒ Special Reqt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

Actual Adjusted
at End of at End of
Test Year Pro forma Adjustments Test Year

(a) A B Z (b)

1. Gross Utility Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2. Less: Accumulated Depreciation	0	0	0	0	0
3. Net Utility Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules: Recap Schedules:

(a) E-1 (b) B-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: B-3

**Title: RCND Rate Base Pro
forma
Adjustments**

Explanation:
Schedule showing pro forma adjustments to
gross plant in service and accumulated
depreciation for the RCN rate base.

Required For:

All Utilities ☒ Special Reqt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

Actual Adjusted
at End of at End of
Test Year Pro forma Adjustments Test Year

(a) A B Z (b)

1. Gross Utility Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2. Less: Accumulated Depreciation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
3. Net Utility Plant in Service	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

All pro forma adjustments should be adequately explained on this schedule or on
attachments hereto.

Note: For combination utilities, above information should be presented in total and by
department.

Supporting Schedules: Recap Schedules:

(a) B-4 (b) B-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: B-4

**Title: RCND by Major Plant
Accounts**

Explanation:
Schedule showing the determination of
Reproduction Cost New Less
Depreciation at end of Test Period.

Required For:

All Utilities ☒ Special Reqmt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

Plant Condition

Account Description RCN Percent RCND

0 0 0
Total (a) 0 0 0

Note: For combination utilities, above information should be presented in total and by
department.

Supporting Schedules: Recap Schedules:
RCND Study a) B-3

**TUSAYAN WATER
DEVELOPMENT ASSOCIATION,
INC**

Schedule: B-5

**Title: Computation of Working
Capital**

Required For:

Explanation:
Schedule showing computation of
working capital allowance.

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

Amount

1. Cash working capital \$ 0
2. Materials and Supplies Inventories (a) 0
3. Prepayments 0 (a)
4. Total Working Capital Allowance \$ 0 (b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules: Recap Schedules:

(a) E-1 b) B-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: C-1

**Title: Adjusted Test Year
Income Statement**

Explanation:
Schedule showing statement of income
for the test year, including pro forma
adjustments.

Required For:

All Utilities ☒ Special Reqmt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

(a) Test Year

Actual Results For The After

Test Year Pro forma Pro forma

Description Ended Adjustments Adjustments

Revenues: \$ 1,034,668 \$ 1,058,708 \$ 1,050,000

Expenses: 1,030,995 1,059,048 1,050,000

Operating Income \$ 3,673 \$ -340 \$ 0 (c)

Net Income \$ 3,673 \$ -340 \$ 0

Note: For combination utilities, above information should be presented in total and by
department.

Supporting Schedules: Recap Schedules:

(a) E-2 (c) A-1

(b) C-2

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: C-2

**Title: Income Statement Pro
forma
Adjustments**

Required For:

Explanation:
Schedule itemizing pro forma adjustments
to the test year income statement.

All Utilities ☒ Special Reqt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

**TWDA is not requesting a rate increase but rather filing the initial rates with the
ACC. No adjustments have been made.**

Total (a)		
Description A B Z Adjustments		
Revenues:	\$ 1,034,668	\$ 1,058,708
Expenses:	1,030,995	1,059,048
Operating Income	3,673	-340
Net Income	3,673	-340

Note: All pro forma adjustments should be adequately explained on this schedule or on
attachments thereto.

Supporting Schedules: Recap Schedules:
(a) C-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: C-3

**Title: Computation of Gross
Revenue**

Conversion Factor

Explanation:
Schedule showing incremental taxes on
gross revenues and the development of a
gross revenue conversion factor.

Required For:

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

TWDA is a not for profit organization and is not subject to income taxes.

Percentage of
Incremental
Description Gross Revenues
Federal Income Taxes % 0

State Income Taxes 0

Other Taxes and Expenses: (Specify): n/a

Total Tax Percentage 0 %

Operating Income % = 100% - Tax Percentage

1 = Gross Revenue Conversion Factor

Operating Income % 100

Note: All tax percentages shall include the effect of other taxes upon the incremental rate.

The applicant may use other formulas in
developing the conversion factor.

Supporting Schedules: Recap Schedules:
A-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: D-1

**Title: Summary Cost of
Capital**

Explanation:
Schedule showing elements of capital
structure
and the related cost.

Required For:

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

TWDA has no debt - short term or long term and no preferred or common stock.

End of Test Year	End of Projected Year
Cost Com-	Cost Com-
Rate posite	Rate posite
Invested Capital Amount % (e) Cost	Amount % (e) Cost
Long-Term Debt	(a) \$ 0
Preferred Stock	(b) 0
Common Equity	(c) 0

Short Term Debt (a) 0

Supporting Schedules: Recap Schedules:

- (a) D-2 (e) A-3
- (b) D-3
- (c) D-4
- (d) E-1

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: E-1

**Title: Comparative Balance
Sheet**

Explanation:
Schedule showing comparative balance sheets
at the end of the test year and the 2 fiscal
years ended prior to the test year.

Required For:

All Utilities ☒ Special Reqt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

**TWDA has no property, plant or equipment the only assets are a small amount of
cash and receivables; the only liabilities are sales tax liabilities and amounts due
to the companies that sell water to TWDA.**

Test Year	Prior Year	Prior Year	
ASSETS	At	12/31/07	At 12/31/08 At 12/31/09

Property, plant & equipment: (a)	\$ 0	\$ 0	\$ 0
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Current Assets:

Cash	\$ 19,760	\$ 24,672	\$ 23,797
Accounts Receivable	109,109	101,348	\$ 94,041

LIABILITIES and STOCKHOLDERS' EQUITY

Capitalization: (b)	\$ 19,208	\$ 22,881	\$ 22,541
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Current Liabilities:

Accounts Payable	\$ 109,661	\$ 103,139	\$ 95,297
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Supporting Schedules: Recap Schedules:
(a) E-5 (b) A-3

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: E-2

**Title: Comparative Income
Statements**

Explanation:
Schedule showing comparative income
statements for the test year and the 2
fiscal years ended prior to the test year.

Required For:

All Utilities ☒ Special Reqmt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

	12/31/08	12/31/09
Revenues: (a)	\$ 1,034,668	\$1,058,708
Operating Expenses: (a)	1,030,995	1,059,048
Operating Income (a)	\$ 3,673	\$ -340
Other income and deductions:	0	0
Interest	0	0
Net Income	\$ 3,673	\$ -340
Preferred Dividends	<u>0</u>	<u>0</u>
Earnings Available for Common Stock	<u>0</u>	<u>0</u>
Earnings Per Share of Average Common	0	0
Stock Outstanding	<u>0</u>	<u>0</u>

Supporting Schedules: Recap Schedules:
(a) E-6 A-2

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: E-7

Title: Operating Statistics

Explanation:
Schedule showing key operating statistics in comparative format, for the test year and the 2 fiscal years ended prior to the test year.

Required For:

All Utilities ☒ Special Reqt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

Test Year Prior Year Prior Year
Water Statistics

Ended12/07 Ended12/08 Ended12/09

Water Statistics:

Gallons Sold-By Class of Service

Avg. No. of Customers-By Class of Service

Residential	5	5	5
Commercial	31	31	31

Avg. Annual Gallons Per Residential Customer	35,672	33,722	19,128
Avg. Annual Revenue Per Residential Customer	827	772	476
Pumping Cost Per 1,000 Gallons	0	0	0
Cost to purchase water per 1,000 gallons	22.50	22.50	24.50

Note – TWDA does not own any pumping equipment the cost to purchase 1,000 gallons is \$24.50 if the customer is connected to the Hydro Resources distribution system and \$55.00 per 1,000 gallons if connected to the Anasazi distribution system. The price of water is the same for residential and commercial customers.

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: E-8

**Title: Taxes Charged to
Operations**

Explanation:

A schedule showing all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the test year.

Required For:

All Utilities ☐ Special Reqmt ☐
Class A ☒
Class B ☒
Class C ☒
Class D ☐

TWDA is a not for profit organization and is not subject to income taxes.

	Ended12/07	Ended12/08	Ended12/09
Federal Taxes:	\$ 0	\$ 0	\$ 0
State Taxes	\$ 0	\$ 0	\$ 0
Local Taxes:	\$ 0	\$ 0	\$ 0
Total Taxes	\$ 0	\$ 0	\$ 0

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules: Recap Schedules:

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: E-9

**Title: Notes to Financial
Statements**

Explanation:
Disclosure of important facts pertaining to
the understanding of the financial
statements.

Required For:

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

Disclosures should include, but not be limited to the following:

1. Accounting method. TWDA reports using the accrual method of accounting.
2. Depreciation lives and methods employed by major classifications of utility property.
TWDA does not own any fixed assets. There is no depreciation to report.
3. Income tax treatment - normalization or flow through. TWDA is a not for profit organization and is not subject to income taxes.
4. Interest rate used to charge interest during construction, if applicable. TWDA has not constructed any buildings, distribution lines, etc and has no fixed assets.
5. Residential customers include only the customers who receive a separate bill. Most of the town's citizens reside in dormitories or mobile home parks and the meters are read by their employers. The amount charged for these residences are included in the water bill for the employer.
6. There are two separate water distribution systems in Tusayan. The system to which the customer is connected dictates which company provides their potable water. TWDA does not have any ownership or rights to the system or the distribution lines.

Supporting Schedules: Recap Schedules:

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: F-1

**Title: Projected Income
Statements - Present
and Proposed Rate**

Explanation:
Schedule showing an income statement for
the projected year, compared with
actual test year results, at present rates
proposed rates.

Required For:

All Utilities ☒ Special Regmt. ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

TWDA is not proposing an increase in rates.

Projected Year
At Present
Actual Rates

	Test Year Ended 12/08 (a)	Year Ended 12/09 (b)
Revenues:	\$ 1,034,668	\$ 1,058,708
Operating Expenses:	1,030,714	
Operating Income	\$ 3,954	\$ -340
Interest	0	0
Net Income	\$ 3,954	\$ -340
Earnings per share of average	n/a	
Common Stock Outstanding	\$ none	
% Return on Common Equity	n/a	

Supporting Schedules: Recap Schedules:
(a) E-2 (b) A-2

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

Schedule: F-3

**Title: Projected
Construction Requirements**

Explanation:

Schedule showing projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year compared with the test year.

Required For:

All Utilities	<input type="checkbox"/>	Special Reqmt <input type="checkbox"/>
Class A	<input type="checkbox"/>	3 yrs.
Class B	<input type="checkbox"/>	} projected
Class C	<input type="checkbox"/>	1 yrs.
Class D	<input type="checkbox"/>	} projected

TWDA owns no property, plant or equipment and is not planning any construction.

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules: Recap Schedules:

(a) F-2 & A-4

**TUSAYAN WATER
DEVELOPMENT ASSOCIATION,
INC**

Schedule: F-4

**Title: Assumptions Used in
Developing
Projection**

Explanation:	Required For:
Documentation of important assumptions	All Utilities <input checked="" type="checkbox"/> Special Reqmt. <input type="checkbox"/>
used	Class A <input type="checkbox"/>
in	Class B <input type="checkbox"/>
preparing forecasts and projections.	Class C <input type="checkbox"/>
	Class D <input type="checkbox"/>

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1. Customer growth **Assume no customer growth**
2. Growth in consumption and customer demand **No demand growth**
3. Changes in expenses **Expenses remain the same**
4. Construction requirements, including production reserves and changes in plant capacity **No construction for the foreseeable future.**
5. Capital structure changes **No capital structure changes**
6. Financing costs, interest rates **No financing costs**

Supporting Schedules: Recap Schedules:

**TUSAYAN WATER
DEVELOPMENT ASSOCIATION,
INC**

Schedule: H-1

**Title: Summary of Revenues by
Customer
Classification-Present and
Proposed Rates**

Explanation:
Schedule comparing revenues by
customer
classification for the test year, at
present and proposed rates.

Required For:

All Utilities ☒ Special Request ☐
Class A ☐
Class B ☐
Class C ☐
Class D ☐

Rates for all customers are as follows:

Hydro Water Distribution System 24.50 per 1,000 gallons

Anasazi Water Distribution System 55.00 per 1,000 gallons

No rate increase is being requested.

Revenues in the Test Year (a) 1,059,708 Proposed Rates (b) 1,059,708

Note: For combination utilities, above information should be presented in total and by
department.

Supporting Schedules: Recap Schedules:

(a) H-2 (b) A-1

**TUSAYAN WATER
DEVELOPMENT ASSOCIATION,
INC**

Schedule: H-3

**Title: Changes In Representative
Rate Schedules**

Explanation:
Schedule(s) comparing present rate
schedules
with proposed rate schedule.

Required For:

All Utilities	<input type="checkbox"/>	Special Regmt.	<input type="checkbox"/>
Class A	<input checked="" type="checkbox"/>	Representative Schedules	
Class B	<input checked="" type="checkbox"/>		
Class C	<input checked="" type="checkbox"/>	All Schedules	
Class D	<input checked="" type="checkbox"/>		

Rates for all customers are as follows:

Hydro Water Distribution System	24.50 per 1,000 gallons
Anasazi Water Distribution System	55.00 per 1,000 gallons

No rate increase is being requested.

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

Explanation:
Schedule(s) comparing typical customer bills at
varying consumption levels at present and
proposed rates.

Required For:

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

No rate increase is requested. A sample bill from each water distribution
system is attached.

**TUSAYAN WATER DEVELOPMENT
ASSOCIATION, INC**

**Schedule: H-5
Title: Bill Count**

Explanation:
Schedule(s) showing billing activity by block
for
each rate schedule.

Required For:

All Utilities	<input checked="" type="checkbox"/>	Special Reqmt.	<input type="checkbox"/>
Class A	<input type="checkbox"/>		
Class B	<input type="checkbox"/>		
Class C	<input type="checkbox"/>		
Class D	<input type="checkbox"/>		

Rate Schedule:

Description:

Number of Bills by Consumption Cumulative Bills Cumulative Consumption

Average Number of Customers 36 using a total of 33,977,000 gallons

Average Consumption 943,806

These statistics are misleading due to the size and make up of the community. There are a small number of residential units and five large hotels.

Tusayan Water Development Assn.

P.O. Box 520

Grand Canyon, AZ 86023

Invoice

DATE	INVOICE NO.
4/15/2010	6041

BILL TO
HYDRO RESOURCES 12515 WILLOWS ROAD NE SUITE 200 KIRKLAND, WA 98034

TERMS	DUE DATE
	4/15/2010

DESCRIPTION	GALLONS / UNITS	RATE	AMOUNT
WATER BILLING BASED ON 10,000 GALLONS FOR HYDRO DISTRIBUTION SYSTEM			
WATER	10,000	0.0245	245.00
TWDA FEE	10,000	0.0004	4.00
SALES TAX		6.725%	16.48
Total			\$265.48

Tusayan Water Development Assn.

P.O. Box 520

Grand Canyon, AZ 86023

Invoice

DATE	INVOICE NO.
4/15/2010	6041

BILL TO
ANASAZI WATER CO. 620 WEST MEADE WILLIAMS, AZ 86046

TERMS	DUE DATE
Net 30	5/15/2010

DESCRIPTION	GALLONS / UNITS	RATE	AMOUNT
WATER BILLING BASED ON 10,000 GALLONS FOR ANASAZI DISTRIBUTION SYSTEM			
WATER	10,000	0.055	550.00
TWDA FEE	10,000	0.0004	4.00
SALES TAX		6.725%	36.99
Total			\$590.99